

# FISCAL NOTE

## SB 1240 - HB 1745

March 1, 1997

**SUMMARY OF BILL:** Requires insurance companies to disclose certain information to the Department of Commerce and Insurance. Requires the Department to hold a hearing and sanction offending companies.

### ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant  
Increase State Expenditures - \$34,000 - Recurring  
\$5,500 - One-Time  
\$1,800 - Incarceration\*

Estimate assumes: (1) the collection of any civil penalties and/or criminal fines that may be imposed; and (2) one conviction every other year for a Class E felony.

	<u>Recurring</u>	<u>One-Time</u>
Consumer Insurance Investigator 1		
Salary and Benefits	\$30,000	\$
Computer Equipment		4,000
Office Furnishings		<u>1,500</u>
Operational Expenses	<u>4,000</u>	
TOTAL	<u>\$34,000</u>	<u>\$5,500</u>

\*Section 9-6-119, TCA, requires that: *For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law.*

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director